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DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY

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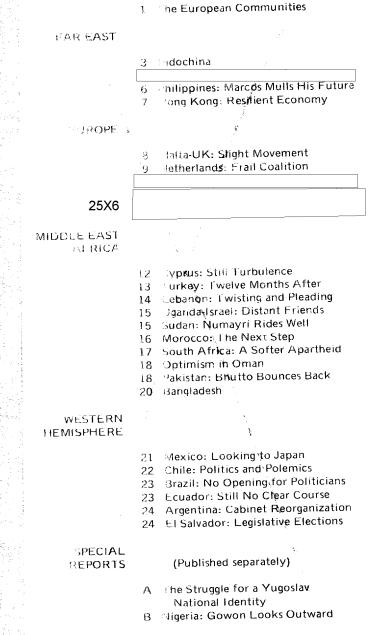
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the WEEKLY SUMMARY, issued every Friday onling by the Office of Current Intelligence, reports and analyzes significant developments of the week firough noon on Thursday. It frequently includes naterial coordinated with or prepared by the Office of Economic Research, the Office of Strategic Research, and the Directorate of Science and Technology Topics requiring more comprehensive treatment and therefore published separately as Special Reports are listed in the contents pages.



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The European Communities

INSTITUTIONAL DEBATE GOES ON

The prospective enlargement of the EC, preparations for a fall summit meeting, the community's growing political consultations, and the revival of plans for economic and monetary union have reopened debate about the EC's institutions. The real issue is how much power these institutions—as opposed to the member states—will have. The problem will not be settled soon, but decisions now pending will profoundly affect the community's development.

France is, as always, determined to reduce the significance of the EC Commission. The French are already citing Commission President Malfatti's announced intention to run in the Italian elections and then resign as an indication of Commission irresponsibility. Malfatti's move in fact reflects the dilemma faced by commissioners who promote Europe but are also ambitious national politicians. Because the Commission has no political constituency, its members must return home if they are to maintain their political standing. In doing so, they weaken the Commission's claim to independence and supra-national status. Other resignations are likely before the community is enlarged at/the end of the year, and thus the present Commission already has a "lame duck" aura.

The Commission's future will be affected by the role it plays, if any, in the prospective Conference on Security and Cooperation in Europe and in the preparations for the October summit of the Ten. The French do not want the Commission to represent the EC in a security conference, and they have suggessfully excluded the Commission from one planning session for the summit. With respect to the future of the EC's political consultations, Paris advocates a "political secretariat," completely divorced from the EC Commission and located in Paris. The Germans are opposed, and the secretariat issue will not be resolved before the summit meeting. In the meantime, the Commission itself, if its waning cohesiveness permits, is likely to be heavily engaged in "politicking" for community institutional reform since it is to submit proposals to this effect later this year.

Landon's influence may prove decisive on many of the institutional problems. If Heath appoints top-flight political figures to the enlarged Commission, he may force a corresponding upgrading of France's representatives. The French hope that Heath will favor an even stronger role for the member states in community decision making, but on at least one Pompidod proposal in this direction—the creation of "European ministers"-Heath is reportedly negative. Moreover, he has advocated a strengthening of the European Parliament's powers, even before the members are elected directly.

The movement toward economic and monetary union that was decided by the Council this week may have important implications for the EC's institutional evolution. As part of the price for the new advance in coordinating economic policy, for example, a complex mechanism of decision making has been grafted onto the traditional Comprission-Council "dialogue," originally designed to balance the interests of the community as a whole with those of the member states. The new system could erode this concept. As the complinity comes to grips with the real difficulties of economic and monetary integration, the question of effective institutions seems likely to become more pressing.

APPROACH FROM THE EAST

Romania assumed the role last week of trailblazer for the Warsaw Pact in developing closer relations with the EC. The deliberate and open character of Bucharest's request to benefit from the EC's generalized trade preference scheme advances Romania's independent image. The request, however, emerged as Moscow and several of its East European allies seemed to be moving toward a more pragmatic approach to the EC.

Romania is asking that the EC consider it a less developed country and, as such, eligible to sell its manufactured goods to the EC market at what are, in effect, reduced tariffs. Estimates on how long the EC will put off a decision on Romania's request range from mid-May to as long as possible.

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The formal character of the Romanian request contrasts sharply with other known East European initiatives toward the EC. Although several East European countries have negotiated informally on specific trade issues, only Yugoslavia has established formal ties.

Moscow's failure to react strongly to the Romanian application suggests that the Russians are not overly displeased with the Bucharest initiative. This lack of reaction also suggests that Moscow may be revising its attitude toward the EC.

If Moscow in fact changes its heretofore negative approach, then several other East European countries might break their past restraints. Bulgaria, Hungary, and Poland appear eager to develop closer ties with the EC. In anticipation of nibbles from Eastern Europe, the EC Commission already has completed studies on Bulgaria and Romania as part of its effort to measure the impact of expanding the current list of beneficiaries under the generalized preference scheme.

FINNS NEED EC TRADE

Even though Helsinki found the EC's initial offer for an industrial free-trade arrangement politically unacceptable, Finland has virtually no alternative to accommodation with an enlarged community. Indeed, a major purpose of President Kekkonen's unofficial visit to Mosoow in late February may have been to convince the Soviet leadership of Finland's need for some type of trade arrangement with the EC. Earlier in February, a Finnish delegation had visited Moscow to explore possible areas of cooperation with the Council for Mutual Economic Assistance, presumably to help gain Soviet acceptance of a Finnish-EC agreement.

Helsinki does not, of course, see CEMA as a viable alternative to free access to an enlarged community. Its projected members will represent almost 50 percent of Finland's total export markets, 40 percent of its industrial markets, and 70 percent of its vital paper sales. CEMA, on the other hand, accounts for only 17 percent of total Finnish export earnings, and there is little likeli-

hood it will greatly expand. Furthermore, Helsinki's forest products industries, which constitute 58 percent of total exports, would be severely hurt if the 13 to 14 percent/EC duty were maintained on Finnish exports but not on those of its two major northern competitors, Sweden and Norway. Major growth industries such as metals also could be at a definite disadvantage. For example, if Sweden obtains an EC relationship, as is likely, Finland could be forced to sell raw materials to Sweden to be finished there and then sold to the community.

The greatest benefits from an EC link probably would accue to Finland's capital intensive growth industries, such as woodworking, chemical, and basic metals; appreciable gains would go to the machinery, electrochemical, rubber, textile, and plastics industries. According to the Economic Council of Finland, the average annual growth rate of the volume of industrial production between 1970 and 1980 will be approximately two percent higher—six rather than four percent—with an industrial free-trade arrangement.

The problem is highly charged politically. Many Finnish politicians seem reluctant to come to grips with the EC issue. Instead, they have either been regretting that present arrangements cannot be maintained of ducking the issue. One exception is the Communists, who are leading the opposition to an arrangement with the EC, though politicians from several parties can be found in the committees that have sprung up to propagandize the anti-EC cause.

The two-week-old Social Democratic government is pledged to continue negotiations with the community to secure Finland's economic interests, while avoiding political obligations. As a minority government, it is in no position to take a strong stand, and it has indeed also pledged to study alternatives. Alternatives, such as increasing Nordic cooperation, may be difficult to sustain even by wishful thinkers; the Nordic Council decided at its meeting in Helsinki late last month that it could not plan future cooperation until it had fully weighed the practical effects of Norway and Denmark joining the community.

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Indochina

SOUTH VIETNAM

The South Vietnamese military still holds the initiative in South Vietnam, despite the Communist buildup along the border and some efforts to counter pacification and security programs. Over the past few weeks, the South Vietnamese initiated twice as many engagements countrywide as did the Communists. The margin in the northern half of the country was almost three to one. These government-initiated actions are the result of South Vietnamese Army and Regional and even Popular Force units scouring the countryside. The Communists, for their part, continue to rely heavily on economy-of-force tactics consisting of scattered shellings and other harassments.

, Military Region 2 forces are

probing enemy positions in the highlands, and South Vietnam's new 3rd Division is stepping up operations near the DMZ. These pre-emptive actions contribute to the problems the Communists have been encountering in trying to mount a more impressive series of military actions.

Reaction to the President's Trip

The South Vietnamese have generally taken President Nixon's trip to China in stride. Saigon seemed to get some satisfaction from seeing their enemy's friend cordially hosting the "arch imperialist." A number of semi-official Saigon dailies had speculated that the US would adopt a forthcoming position on Taiwan in return for Chinese support in ending the Vietnam War. At the same time, other government-planted press articles reflected an underlying concern that South Vietnamese interests might be sacrificed in



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a war settlement arranged by the great powers. President Thieu made a special effort to deflate any expectations that the trip would lead to early peace. Possibly in part because of the visit, however, Thieu is no longer categorically ruling out neutralization as the basis for an eventual war settlement.

Thieu first spoke favorably of the "principle" of a neutralization of Southeast Asia, which would have been unthinkable in South Vietnam not long ago, in a little noticed speech in late January. He publicly approved of such a plan in an interview in *The New York Times* on 23 February, while the President was still in China. It seems likely that Thieu has softened his public views on neutralism in part to get in step with the Eight-Point allied peace plan, which puts great emphasis on the withdrawal of all foreign influences from South Vietnam. He doubtless feels that such views also make good propaganda without committing him to any basic change in policy.

PRESIDENTIAL POLITICS IN CAMBODIA

High-level political change is brewing in Phnom Penh. Government sources in the capital have been saying publicly that Lon Nol will be named provisional president under a new constitution to be promulgated before the second anniversary of Sihanouk's overthrow on 18 March.

Although the sometimes enigmatic Lon Nol may have some personal reason for aspiring to be the republic's first president, his moves appear to be founded on solid considerations of power politics. If he is able to establish himself in the new and powerful position of president without testing his waning popularity at the ballot box, he will have convincingly re-established predominance over his main political opponents, who only three months ago were clamoring for his resignation.

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Lon No 's impending changes are not likely to be popular in some political quarters, however. University student elements in Phnom Penh, angered by the regime's recent firing of the dean of the Law Faculty for making anti-government remarks, held a large public meeting in the capital on 9 March, sharply condemned the over-all performance of the present government, and awarded it a "vote" of no confidence. Government leaders are concerned over the students' dissatisfaction, but thus far seem determined to act with restraint.

NEW THREAT TO LONG TIENG

The North Vietnamese are pushing preparations for their second major drive this year against

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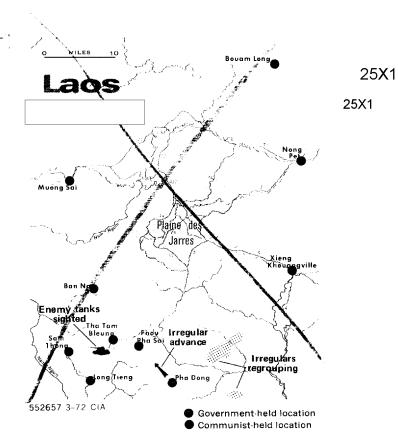
Long Tieng and Sam Thong. Trucks are moving supplies to within six miles of Long Tieng, and artillery and tanks have been positioned at the terminus of the road near Tha Tam Bleung. Tanks could move from this area to Sam Thong and then use the existing road into Long Tieng. The North Vietnamese also appear to have taken advantage of a recent spell of bad weather, which limited tactical air strikes, to work on extending their road to within four miles of Long Tieng.

The irregular defenders in the Long Tieng area are preparing for the expected attack. They have built new defensive positions on Skyline Ridge and have established six new artillery bases around Long Tieng and Sam Thong. Irregular units have also launched an operation along the Pha Dong Ridge toward Phou Pha Sai, overlooking the new Communist supply road. The North Vietnamese have reacted vigorously, and advancing irregular units have taken heavy losses.

Vang Pao's task forces have withdrawn from the southeastern foothills of the Plaine des Jarres and are regrouping near Rha Dong. They did little damage to enemy rear areas. The operation did divert North Vietnamese forces from the Long Tieng area and delayed Communist plans for attacking the base. Only about two months remain before the beginning of the rainy season, and, even if the North Vietnamese succeeded in taking Long Tieng, they would have little time to move beyond.

In south Laos, Communist forces are continuing to push government units from defensive

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positions near the junction of Routes 23 and 231, just west of the Bolovens Plateau. Four government battalions withdrew from front-line positions following heavy shelling attacks, and two irregular battalions are now holding the junction. Despite the pressure, a major enemy drive on Pakse is not expected.

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Philippines: Marcos Mulls His Future

President Marcos is reluctant to relinquish the powers of office but appears still trying to decide how hard to push to prolong his stay in the presidential palace. Now more than halfway through his second term, he must under the present constitution step down when his term expires at the end of 1973. It is widely assumed throughout the country that Marcos will attempt to manipulate the constitutional convention now in session to lift the present limit on his tenure.

The constitutional convention has been working since last June to revise the 1935 document drafted under NS tutelage. The convention has considered several proposals that would help Marcos, but in the absence of a clear indication of the President's intentions, none has come to a floor vote. One proposal would postpone presidential and congressional elections until 1975, giving Marcos two additional years in office. Some of Marcos/backers have toyed with the idea of a parliamentary system. Untuited as this would be to the volatile Filipino temperament, it would appear to offer Marcos an open road to the prime ministership. For their part, anti-Marcos elements, reacting to widespread speculation that Marcos might put his wife up for the presidency and keep lucrative political power in the family, have prepared a blueprint that would bar Mrs. Marcos from a presidential bid in 1973. In any case, Marcos would find it difficult to accept a role secondary to that of the headstrong and ambitious Mrs. Marcos, and he would push her candidacy only as a last resort.

Marcos is probably still assessing strategy. Although his support within the constitutional

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President Marcos

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convention appears to have slipped, he probably still controls a sufficient number of votes to get what he wants. His hand-picked senatorial slate made a poor showing in last November's off-year elections, however, and he probably has serious reservations about the likelihood of a favorable vote in a national referendum on any draft constitutign that permitted his continuance in office.

If he felt blocked in an electoral bid for continuance in office, Marcos could resort to

martial law, using a Communist threat as a pretext. Although most of his military advisers oppose this idea, Marcos' consideration of drastic measures may well be encouraged by the recent Supreme Court sanction of his lifting of the writ of habeas corpus following a political bombing last summer.

Marcos has several months to make up his mind. The constitutional convention, bogged down in petty squabbling at the working committee level, has made little progress. It will probably not be ready to issue a draft revised constitution before next fall.

Hong Kong: Resilient Economy

Hong Kong is adjusting its flexible exportoriented economy to mitigate the impact of its recent textile agreement with the US and increased competition from developing Asian nations. It hopes to sustain the economic boom of the past decade under which the gross national product has increased by some ten percent annually to reach an estimated \$4 billion in 1971. Hong Kong's per capita gross national product now is about \$1,000, only slightly lower than that of some developed nations.

Rapid economic growth has been paced by the development of export-oriented light manufacturing industries such as textiles and electronics. This growth transformed Hong Kong from its original entrepot orientation into the leading exporter of manufactures among the developing nations. Exports expanded from about \$500 million in 1960 to over \$2 billion last year, boosting accumulated foreign reserves to some \$650 million.

The key to success has been the ability of Hong Kong's small-scale, highly competitive firms to adjust to changing conditions in world trade. It is this flexibility that will ease the impact of limitations on exports of textiles to the US, Hong Kong's major market. Firms already have begun upgrading the quality of exports to increase earnings despite volume limitations. In addition, Hong Kong is trying to expand sales to the growing markets in Western Europe and Japan.

Hong Kong, however, faces great competition from firms in South Korea and Taiwan, where labor costs are much lower. Wages in Hong Kong have risen sharply in recent years as economic growth has strained the British Crown Colony's limited labor pool. Its competitive position has been further eroded by recent international monetary realignments since the colony chose to maintain parity with the British pound while South Korea and Taiwan followed the US in devaluing.

Hong Kong is taking steps to minimize losses to its Asian competitors. In addition to improving product lines, firms are importing more efficient production equipment to help keep costs down. Although improvements in production facilities will allow gross national product and exports to grow rapidly, the colony probably will not be able to maintain the high pace of recent years.

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Malta-UK: Slight Movement

Prime Minister Mintoff's meetings on 5-6 March with British Defense Secretary Lord Carrington and Prime Minister Heath narrowed the gap on nearly all issues. Mintoff accepted London's new and more generous proposals for a gradual phasing down of the number of Maltese employed by the British. In addition, all concerned appear to have come close to an understanding on pay for Maltese serving in the British armed forces.

The biggest remaining bilateral obstacles concern Mintoff's demands that Britain stand by



Prime Minister Mintoff (l.) and Lord Carrington

its offer to the previous Maltese Government of \$7.8 million in aid for the Malta drydocks and that UK troops no longer be granted exemptions from certain export duties. In a reversal of its earlier position, London proposed splitting the difference on these Mintoff demands, but he rejected the compromise.

Another issue left unsettled was Mintoff's demand for an additional one-time payment of \$13 million. Rome has since proposed that the US and West Germany share with Italy the cost of underwriting the demand, possibly by offering the money in three separate bilateral offers apart from the UK-NATO package.

Mintoff returned to Valletta on 7 March for consultations with his supporters. The Maltese parliament has been adjourned until 20 March, thus giving Mintoff freedom of action in bargaining with the British. Heath, nevertheless, reminded Mintoff that time is short and that if the British withdrawal is completed, an "entirely new situation" would be created. No further meetings have been scheduled.

Meanwhile, Libya is seeking political and financial support from most Mediterranean states for a plan to neutralize Malta. If other nations react positively, Tripoli intends to call a conference to discuss its proposal.

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The French have emphasized the problems inherent in such a proposal and obviously hope to delay any consideration of it. Paris would prefer to avoid a flat rejection of the Libyan initiative, in large part because of its past efforts to promote cooperation among Mediterranean states "to prevent super-power rivalry in the area." The French in any case would be reluctant to accept Libyan leadership of such a venture. Moreover, Paris seems to want the Malta-UK negotiations to succeed.

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The Netherlands: Frail Coalition

The center-right coalition of Prime Minister Biesheuvel, beset by a faltering anti-inflation program, last week got a jolt from another quarter. On 1 March, the Second Chamber of parliament decisively rejected a government plan to pardon the last three Nazi war criminals serving life sentences. The government had promoted the plan largely on humanitarian grounds but was overtaken by a torrent of emotionalism stemming from the still bitter memories of the German occupation era.

The cabinet, facing a possible no-confidence motion and the resignation of its Liberal ministers if it persisted, decided on 4 March to give in to the legislature. In a face-saving move, particularly for Justice Minister Van Agt of the Catholic party who strongly backed the pardons, the government left open the possibility of individual pardons at a later date. Nevertheless, the contretemps widened the rift between religious and secular parties in the government.

Programmatic and philosophical differences have plagued the Dutch coalition throughout its eight-month existence. The Liberals and Democratic Socialists would hold to strict austerity designed to cure inflation, while the Catholic and two large Protestant parties are inclined to tolerate increased spending. Thus far, efforts to control inflation have been hampered by the government's refusal to institute effective price and wage controls despite persistent demands of the Democratic Socialist partners. Biesheuvel prefers to depend on voluntary restraints and these have not been effective.

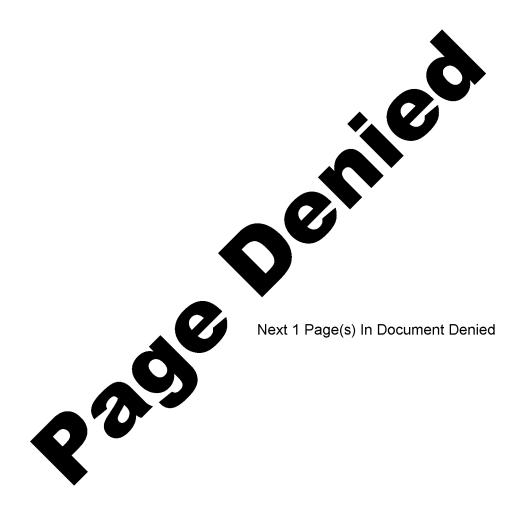
Tensions in the coalition are expected to increase during the upcoming struggle over next year's budget. Bickering may be dampened



Prime Minister Biesheuvel (1.) and Justice Minister Van Agt

somewhat by opinion polls showing the government parties losing ground. Still, the evident frailty of the coalition may cause the leaders to conclude that it is no longer really worth saving.

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Cyprus: Still Turbulence

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The political atmosphere on the island is still unsettled. The most prevalent speculation this week is that Archbishop Makarios may choose to resign soon in the face of mounting pressure from Athens and the bishops of the Cypriot church. The Archbishop is keeping his options open while he and his supporters try to develop some counter-pressures.

consequence of being stripped of all ecclesiastical power represents a far greater threat to his leader-ship role than does the new Greek note. The Archbishop believes that Athens was behind the bishops, action, and he will almost certainly put the blame on the Greeks if violence ensues. Greek Cypriot supporters of Makarios have attacked the bishops' residences, and one bishop has been warned not to return to his district. Massive demonstrations have underscored the Archbishop's popularity.

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Makarios acknowledges that the bishops' request has put him in a difficult position. In the face of the bishops' pressure, which has been supported indirectly by the most powerful Greek Orthodox leaders, Makarios may choose to resign in the hope of subsequently returning by popular acclaim. However, cabinet and parliamentary leaders have expressed the fear that Makarios' resignation would lead to a civil war no matter what his wishes may be.

In Makarios' view, the three bishops' insistence that he resign as president or face the

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Turkey: Twelve Months After

A year ago, the chief of the Turkish General Staff and the three force commanders delivered an ultimatum to President Sunay and the speakers of the two houses of Parliament. They said that if a government "above political party considerations" and capable of bringing about necessary reforms were not set up, the armed forces were ready to take over the government. This ultimatum, labeled by some as a "coup by communiqué," followed months of violence and terrorism by militant leftists, signs of polarization among students, a staggering economy, and parliamentary inaction.

Prime Minister Demirel resigned immediately, as demanded, and Nihat Erim, once a deputy prime minister but not a prominent political figure, was asked to patch together an "above-party" coalition government. Acts of violence and clashes by student groups and other extremists continued,

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On 26 April 1971, the Erim government declared martial law in 11 of Turkey's 67 provinces and launched a massive crackdown on all leftist and terrorist groups.

Since then, law and order has generally been restored in the streets and on the campuses. Although many terrorists are still at large, an urban or rural guerrilla movement led by the Turkish Peoples Liberation Army has not materialized. Many of the radical leaders have either been killed or apprehended and are currently being tried or await sentence. Nevertheless, security forces clash periodically with terrorists, and captured weapons and explosives indicate a continuing capability to launch isolated acts of violence.

Martial law, which was invoked initially for only two months, has been extended each time it

comes up for review. Public opinion in favor of lifting martial law later this month appears to have evaporated following armed clashes with fugitive terrorists in Istanbul. A recent constitutional court ruling invalidating a continuance of martial law trials once martial law is lifted increased the probability that martial law will be continued.

The second requirement of the military "ultimatum" was a broad program of economic, political, and educational reforms. Progress has been less spectacular in this area. Some progress has been made in instituting educational and tax reforms, but little forward movement has been made in land or electoral reforms. Changes in the election law and regulations will have to be made before a national election can be held, but no election is scheduled for more than a year.

The general atmosphere in Turkish political circles has improved markedly in recent weeks. A new spirit of cooperation seems to have set in. With the budget out of the way for another year, Parliament can apply itself to some of the legislation needed to meet the remaining requirements of the military ultimatum. The military leaders probably would like to disengage themselves from the tangles of government and politics, and the politicians would like to have a return to normalcy. Nevertheless, the military leaders would still intervene and possibly even assume direct control of the government if there were another serious breakdown in law and order or if Parliament were unable to pass reform legislation. Dissidence still exists in the armed forces, but in general the military appears to be relatively relaxed just now over the developing political situation.

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Lebanon: Twisting and Pleading

Lebanon is worried that Israel may launch further raids into its territory and wants to seek UN Security Council action in an attempt to avert such attacks.

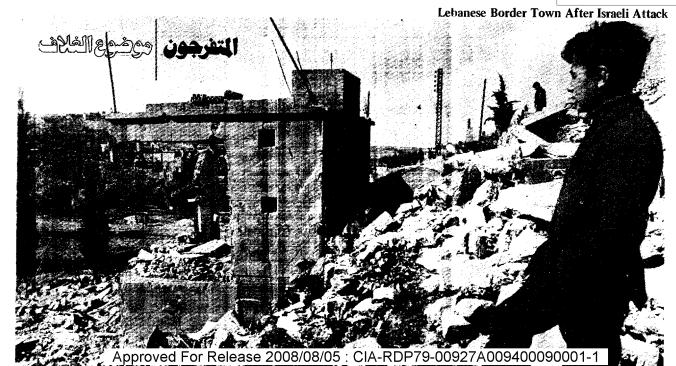
Senior Israeli officials, including Minister of Defense Moshe Dayan, have publicly stated that the present border between Lebanon and Israel is not an ideal one and that Israel would prefer a border farther to the north incorporating a natural geographic feature such as the Litani River, a natural frontier line running from the mountains to the sea 25 miles north of and parallel to the present border. Many Lebanese believe that Israel intends to annex southern Lebanon and is seeking to prepare international opinion for such a move by repeated raids into the area.

Although they are working actively to neutralize the fedayeen units in the south, Beirut officials believe-given Lebanese political realities—the situation along the border can only be stablized by UN action. The Lebanese foreign minister has already sought the support of the five permanent members of the Security Council for renewed debate on the border issue, possibly including a resolution condemning Israel. The Lebanese Government also wants the UN to increase the number of observers along the border in Lebanon; most UN observers are now far from the critical areas. Israel will almost certainly not permit observers on its side, but Beirut would be satisfied to have them only on the Lebanese side, since even this would serve to take part of the

burden of controlling the fedayeen off Lebanese shoulders.

In discussions with the US ambassador, Lebanese officials argue that Israel has repeatedly escalated its demands for Lebanese restraint on fedayeen activity. They assert that on 14 January Israel demanded that Beirut stop fedayeen crossborder firing. On 24 February Israel declared that Lebanon would be held responsible for fedayeen infiltrators as well. The latest Israeli demands include the complete removal of fedayeen from the border and the stopping of "all fedayeen activity," requirements that are not only sweeping but clearly beyond the capability of the Lebanese Government, these officials say.

The situation in the Arqub area remains tense. Since 29 February, the Lebanese Army units in the area-believed to number only a few hundred—and approximately 1,500 fedayeen are camped in close proximity. Except for a few minor clashes during the first few days of March, there have been no incidents in the area. Tel Aviv has warned Lebanon not to destroy the access roads that Israeli forces built during the late February incursion to connect Lebanese roads with those in the Israeli-occupied Golan Heights. In south-central Lebanon, however, fedayeen units on Wednesday night fired Katyusha rockets across the border into an Israeli kibbutz. Israel immediately responded with an artillery barrage and an air strike against guerrilla bases.



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Uganda-Israel: Distant Friends

President Amin's recent overtures to several Arab countries have resulted in a serious rift with Tel Aviv, but neither country is anxious to break relations.

During the past few months, Amin, a Muslim, has tried to strengthen ties with the Arabs through trips to Egypt, Saudi Arabia, and Libya. In Tripoli, Amin signed a joint communiqué in which he gave assurances of "support for the Arab people and their struggle against Zionism and imperialism and for the liberation of confiscated lands...." Amin has made efforts to improve relations with Sudan and plans to visit Khartoum this month.

The Israelis, whose close ties to Amin predate his successful coup of January 1971, find this offensive. They are disillusioned with Amin and have expressed their dissatisfaction to him. The Israeli ambassador in Kampala told the US Embassy that Tel Aviv's commitments to Uganda might be curtailed and new assistance postponed. Nevertheless, Tel Aviv officially minimizes the rift, calling it an "artificial dispute." The Israelis have long used Uganda as a channel for assistance to the rebels in southern Sudan and are reluctant to jeopardize their remaining influence in Uganda.

Amin, who justified his moves as part of Uganda's non-aligned policy, has countered Tel Aviv's protests with a threat to "close" the Israeli Embassy. He has publicly linked the Israelis to ex-president Obote and his supporters. He has even claimed that Israeli Air Force advisers have stopped training Ugandan personnel.

Although Antin is highly unpredictable, he probably is not prepared to sever his ties with the Israelis completely. Tel Aviv has been a source of considerable fechnical assistance and one of Kampala's principal suppliers of military equipment. Amig, in fact, has continued to press Israel for Skyhawk jet fighters despite the deterioration in relations.

The rift with Israel may be having an unsettling effect on the army, the government's uncer-

tain mainstay.	
If unrest breaks out in the	
military, Amin, already troubled by a deterio-	
rating economy and other domestic problems,	
weuld find himself in a shaky position in-	
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Sudan: Numayri Rides Well

Uncertainty pervades the political scene in Khartoum some four weeks after the removal of pro-Egyptian defense minister Abbas, the principal domestic opponent of President Numayri's current "Sudan first" orientation. The period of quiescence may be no more than a prelude to action by those in the government and the army who are subject to Egyptian influence.

The recalcitrant Abbas has friends in the former Revolutionary Command Council, now relegated to the political bureau of the new Sudan Socialist Union. They may still be resentful at having been dropped from the collegial leadership when Numayri dissolved the council and opted for one-man rule last year. Inspired by Abbas, they could form a nucleus around which Numayri's opponents could rally. Abbas may also maintain ties with his former unit, the armored corps, which is garrisoned near Khartoum. The extent to which Abbas has support among regime members and army commanders disposed to 25X1 move against Numayri is questionable.

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President Sadat is scheduled to visit Khartoum next week, and strains in Sudan-Soviet relations will also be high on the agenda. Sadat's efforts to persuade Numayri to normalize ties with the Soviets were again rebuffed last week when Numayri, to a newspaper interview, caustically described telations with Moscow as still "very bad" and denigrated past Soviet military aid.

Despite these rumblings, Numayri projects the confidence of a man in control. His public threat to dissolve the government if there were any resignations in sympathy with Abbas seems to have stabilized his position, at least temporarily. His current ten-day tour of the southern provinces—which forced a postponement of Sadat's visit—demonstrated both his continued independence of Egypt and confidence that his personal control of the situation in Khartoum is not dependent on his presence there. During the turbulent period of the past month, Numayri has met frequently with his army commanders, from whom he apparently receives continued backing.

Morocco: The Next Step

Now that King Hassan's new constitution has been overwhelmingly approved in a nation-wide referendum, the King has declared himself

ready to take the next step toward basic governmental, social, and economic reforms. On 3 March, the anniversary of his accession to the throne in 1961, he announced that he will soon form a new transitional government. The new government will supervise the elections of communal and provincial councils and professional chambers and will follow through on changes begun by the Karim-Lamrani government formed last fall. The councils and chambers, in turn, will select one third of a new parliament; the remainder will be directly elected "in about three months."

The King stated that the new government will be composed largely of "ministers...whose only preoccupation is technical work." He held open the door, however, for the participation of political personalities, presumably including the leaders of the opposition National Front coalition whom he has been consulting on essential reforms since last fall. Caught off balance by Hassan's scheduling of a quick referendum on constitutional changes, the front officially abstained from participating in the referendum.

While the front did not disapprove of the constitutional changes as far as they went—enlarging the powers of government and parliament and providing for the direct election of two thirds of parliament—it had been pressing for a broader reform package beginning with the dissolution of the present parliament, the formation of a government that it would dominate if not control, and the direct election of a new parliament that would revise the constitution.

While the front will undoubtedly seek more posts in the new cabinet and more power than the King is willing to grant, opposition leaders probably will participate despite the risk of being discredited with their rank and file. Refusal to participate carries the graver risk of disintegration of their parties, already weakened during a decade out of power.

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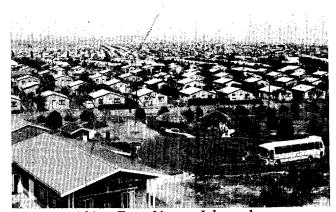
South Africa: A Softer Apartheid

Recent government actions affecting urban Africans—an important group in South Africa—reflect indecision and confusion on the part of high government leaders.

The five million urban Africans are perhaps the least favored of all groups in South Africa. Political rights for Africans are tied to the bantustans, where Africans are officially encouraged to live. Those who choose to live outside of the bantustans and seek employment in the cities are treated as temporary transients having no political and very few personal rights.

South Africa's migratory labor system under, which young men leave their families in their home villages and travel to the cities to work in the mines or in related industries is economically vital and contributes to the growing number of Africans in the cities. In the industrial complex near Johannesburg, for example, over 900,000 men are registered as migrant workers; nearly 500,000 of them live in bachelor hostels without their families.

Last October, the government publicly reaffirmed its objective within the apartheid framework of eliminating any vestiges of "rights" enjoyed by Africans in white areas. Additionally, a report published last January revealed government plans to resettle thousands of Africans now



African Township near Johannesburg

resident in municipal townships in new homeland townships often 100 or 200 miles from their place of work in the cities.

In early February, however, the Ministry of Bantu Administration announced that the government will relax its migratory labor policies slightly. Now, married African teachers who are assigned to schools in white areas, as well as other Africans domiciled on a "reasonably permanent" basis in white urban areas, may bring their wives and families to the cities to live as family units, provided suitable housing is available. The ministry spokesman further promised that the government will try to ensure that housing is provided.

Explaining this development as a "logical unfolding" of the government's long-standing policy, the spokesman strongly denied that it was a reversal of apartheid or a concession to growing criticism. He even hinted at further changes.

his ministry might consider home ownership for Africans, and eventually exempt African business and professional men from South Africa's stringent laws regulating travel and employment of Africans.

For the short term, only a small percentage of urban Africans will be affected, partly because of the acute housing shortage. Despite the firm government denial, the decision does mark a change in apartheid policy. It is an indication that the Afrikaner leadership now accepts the fact that millions of Africans are permanently resident in white areas and that it is trying to reduce as much as possible "areas of friction" resulting from their presence.

This concession may also be a sign that doubts about the wisdom and practicality of the entire apartheid policy are beginning to penetrate the inner circle of the ruling National Party. Reversals of this sort support the view that government leaders are taking their sights from the long-term ideal of separate development and concentrating more on concessions to economic and social realities.

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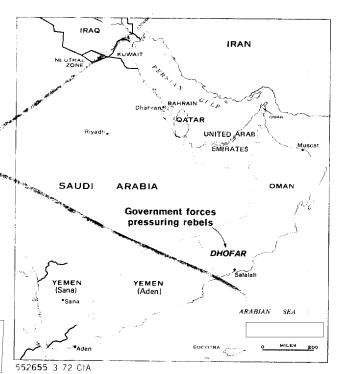
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OPTIMISM IN OMAN

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Sultan Qabus is optimistic about his armed forces' offensive against the Popular Front for the Liberation of Oman and the Arabian Peninsula in Oman's western province of Dhofar. Under way since October 1971, the drive has cut several important insurgent supply routes emanating from Yemen (Aden), whose radical government has provided aid to the front. Former rebel-controlled areas to the north and west of the coastal town of Salalah have been brought under government control.

The Sultan acknowledges that Oman's budget, stretched by the cost of the war, may be inadequate to provide the development projects and subsidies essential to secure the loyalty of Dhofar's population, which has long held separatist views. The Sultan is also aware that a step-up in Yemen (Aden) military activity has occurred in recent months near Oman's western border, but he considers this a ploy to make his forces back off and reduce their pressure on the front. No clashes have taken place between Omani and Adeni regulars



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Pakistan: Bhutto Bounces Back

The past ten days have seen a revival of the dynamism that characterized President Bhutto's first days in office. On 1 March, he unveiled his long-heralded land reform program. Two days later, he announced that he had relieved the commanders of the army and air force and was calling for early negotiations on a peace settlement with India and Bangladesh. On 5 March, Bhutto made a conciliatory address to some 400 generally skeptical business leaders in Rawalpindi. A day later, he announced agreement with his most powerful political foes on a timetable for putting the nation on the road to representative government.

The last was the most significant, for it defused the danger of direct confrontation between the governing Pakistan People's Party and the largest

parties in the Northwest Frontier Province and Baluchistan—a confrontation that could have led to violence, even secession. The new timetable provides for the national assembly, elected in December 1970 but never convened, to meet briefly on 14 April to pass a vote of confidence on the government, appoint a constitutional committee, and approve an interim constitution as well as a continuation of martial law until 14 August. On the latter date. martial law will cease and the national assembly will reconvene. Provincial assemblies are scheduled to meet on 21 April, and the majority parties in the Northwest Frontier and Baluchistan will henceforth "consulted" by the central government-presumably giving these parties a veto-before governors for those provinces are appointed. Local elections will be held as soon as possible after the

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provincial assemblies convene. The agreement appears to concede Bhutto's opponents all of their basic demands but over a longer period of time than they had previously demanded. Bhutto, in turn, retains the immense powers granted under martial law for another five months.

Bhutto's sudden removal of the commanders of the army and air force consolidates civilian, and incidentally his own, control over the military services. The dismissals may have stemmed from the refusal of the two men to order their forces to act in a police role during a recent police strike. Publicly, Bhutto pegged his action on the necessity of preventing the military from meddling in politics. Coincident with relief of the two officers, who had been instrumental in selecting Bhutto to succeed Yahya Khan last December, Bhutto announced that Pakistan would do away with the "colonial anachronism" of commanders in chief for the three services, replacing them with chiefs of staff. Bhutto's present service chiefs are generally regarded as competent, apolitical officers. The appointment of General Tikka Khan as the army chief of staff will not be well received in India and Bangladesh, where his name is associated with some of the bloodier repressive acts in East Pakistan in 1971. Bhutto presumably chose him, however, because of his senior rank and his reputation for obeying orders.

Bhutto's promised land reforms, like the earlier industrial take-overs and labor reforms, are more moderate than the rhetoric leading up to them. The new program features a 70-percent reduction in maximum land holdings by individuals. Land holdings in excess of the new ceilings will be taken over by the government and transferred at no charge to landless farmers and small plot holders. No new restrictions have been placed on family holdings, however, and there have been many land transfers in the last two years in anticipation of reforms.

As a result, no more than one million acres, equivalent to only about two percent of all cultivated land, will actually change hands through the reforms. A Pakistani estimate places the

number of landless farmers at three to five million. Thus, most small farmers will receive little benefit.

Still, popular short-term approval for the reform seems guaranteed. It will not be immediately apparent to the small farmers how small the benefits will be, and other provisions of the reforms—landowner assistance, production incentives for tenant farmers, and controls on land holdings of government servants—have definite appeal. Moreover, large landholders are unlikely to raise strenuous objections because they realize that they stand to lose relatively little. These factors should mitigate the disruptions to production that more radical reforms would induce. When the small and landless farmers realize the limited nature of the reforms, demands for more radical measures are likely to mount.

Bhutto's meeting with business leaders was described as cordial, the President reassuring his audience that private business has a role and asking for their cooperation. In an obvious gesture of conciliation, he returned passports confiscated earlier and removed the ban on foreign travel. Bhutto told his audience he was satisfied with repatriation of private assets abroad and the matter was now closed. Actually, declarations by businessmen of such assets have been very disappointing.

Bhutto's frenetic activity appears to have one object-solidifying support at home before engaging in important negotiations abroad. Later this month, he is expected to visit Moscow, where he will seek to improve relations with Soviet leaders. Additionally, and probably after the trip to Moscow, Bhutto hopes to meet with Mrs. Gandhi and eventually with Sheikh Mujibur Rahman to launch negotiations for a peace settlement. Bhutto has been highly conciliatory toward India in his recent public statements, emphasizing his desire to turn the two nations from conflict to cooperation. A major impetus toward negotiations is provided by public pressure in Pakistan to secure the release of some 90,000 prisoners of war held in India.

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Bangladesh

Mujib Visits the USSR

Prime Minister Mujibur Rahman's first state visit to the USSR came off smoothly. The Soviets got a communiqué that must have gratified them immensely, and Mujib received the USSR's commitment to resume work on aid projects interrupted during the war plus a limited amount of reconstruction help. In the "joint declaration" issued at the end of the visit, the Bengalis associated themselves with the Soviet position on a variety of international topics, including support for the Vietnamese Communists' seven points and for the world disarmament conference. Bangladesh also went along with a Soviet propaganda theme implicitly critical of both China and the US-i.e., that recent events had demonstrated just who were Bangladesh's "true friends and foes." The Bengali delegation's relative inexperience in foreign affairs probably accounts in part for the pro-Soviet tone of the communiqué. Bengali views may not be so one-sided in favor of the Soviets in the future.

The two sides may have discussed a friendship treaty. They agreed to have high-level political discussions to study "additional measures to consolidate" their relations.

The Russians proceeded cautiously regarding aid. Moscow agreed to release over \$40 million for projects begun when Bangladesh was still part of Pakistan and pledged at least \$6 million in new commodity assistance. The Soviets also promised reconstruction help. No amount was specified, however, and the Soviets probably will wait to hear what their economic delegation in Dacca recommends before making additional commitments. There was no mention of military aid, although military matters apparently were discussed. Soviet Defense Minister Grechko joined in the talks and escorted Mujib on a visit to the headquarters of a motorized rifle division.

Problems at Home

Mujib and other government leaders appear increasingly worried about the country's massive problems, particularly the uneasy law-and-order situation. There is no large-scale organized opposition to the regime as yet, but there is a good deal of rather large-scale banditry, and some scattered dissent is surfacing. During the latter half of February, there were several clashes in various parts of the country between government security forces and armed groups of hooligans or disgruntled ex-guerrillas. The government, hoping to forestall further trouble, has ordered all such groups to disband, but the many thousands of jobless young people—some of them still armed—pose a continuing threat.

In the first strong public criticism of government actions by an influential figure, the vice president of the Dacca Chamber of Commerce rapped the government's failure to cope with such problems as rising prices, widespread unemployment, black marketeering, and the continuing idleness of industrial enterprises once owned by West Pakistanis. Much of the unemployment is concentrated in the cities, where men are flocking in a fruitless search for work. The supply and distribution of food seems to be holding up so far, but money is scarce and purchasing power generally weak. Substantial quantities of rice and jute reportedly are being smuggled to India by profiteers.

Public administration, meanwhile, is being hindered by a number of problems. Experienced civil servants are in short supply. Morale is being sapped by government efforts to give Awami League politicians de facto control over local government functions. Also involved is a conflict between those officials who were in exile in India last year and those who remained in East Pakistan and now feel they are suffering from discrimination in job assignments and promotions.

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Mexico: Looking to Japan

The Mexican Government's desire to increase exports and diversify its markets has led it naturally to Japan's booming economy. President Luis Echeverria, at the head of an impressive entourage of nearly 60 cabinet, trade, and economic officials, arrived in Tokyo on 9 March for six days of talks that he hopes-with considerable justification—will produce increased investment and reciprocal trade.

The Mexican search for new markets is rooted in its dependence on the US as a trading partner. In recent years, the US has received nearly two thirds of Mexico's exports and has provided a like amount of its imports. The Echeverria government also wants to reduce the huge (a record \$1 billion in 1970) trade deficit. much of which is accounted for by the US.

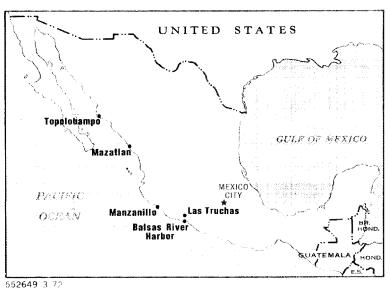
Mexican officials appear optimistic that some specific arrangements will be announced during Echeverria's state visit. The Japanese are interested as well: they regard the Mexican economy as one of the most promising and stable in Latin America and are anxious for the largest possible share of the market.

Some of the items that will probably be raised:

Technical and financial assistance in the construction of the government-owned Las Truchas mining and steel-making complex—one of the biggest single construction projects in Mexico in this decade. Echeverria has reportedly made a commitment to complete the \$488-million first stage of the project during his term in office (which ends in 1976). Initial bids were rapidly studied in time for his Japan visit. The shortness of time taken in evaluating the bids, and the indication that many announcements will be made during the trip all hint that the decision on the first phase of Las Truchas may be made at least partly on

political grounds and might well be negative to the interests of US suppliers and construction firms.

- Improvement of four ports on Mexico's Pacific coast. The Japanese are interested in having better port facilities to facilitate trade and have offered to help expand the harbors at Topolobampo, Mazatlan, Manzanillo, and at the mouth of the Balsas River. Better ports will allow Japanese trade to come direct to Mexico without passing through third-party hands in the US.
- The Japanese offer to furnish patrol ships to the Mexican Navy. There have been some indications that Mexican officials have turned a deaf ear to US proposals to provide these ships and have taken the position that the Japanese offer should be encouraged.
- Also likely to be on the agenda are air agreements, tourism, shipyard building, fishing



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cooperation, development of telephone systems for rural Mexico, and a broadening of the technological and cultural interchange begun last year with the sending of 100 Mexican technicians to Japan.

Given the interest of both governments in expanding economic ties, the Mexican desire to loosen its economic wedlock with the US, and a Japanese craving for a larger share of Mexican trade, the climate seems favorable that some long-term, if not immediate, results will come from the trip.

Chile

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POLEMICS AND POLITICS

The Chilean congress' latest rebuff to President Allende has set off a heated argument over the relative powers of the executive and the legislature. Allende, in one of a series of speeches detailing his government's problems and his determination to use his own judgment in solving them, indicated that he regards the issue as a crucial one. He equated the situation to a Chilean power struggle in 1891 that led to civil war and the suicide of the ousted president. Allende's Socialist Party has accused the opposition of sedition, called the challenge to the President an imperialist plot—aided by the US—to destroy him, and threatened to bring armed workers into the streets.

The argument concerns whether Allende can change a constitutional amendment—as he can ordinary legislation—without approval of the majority of the congress. The amendment at issue is one passed on 19 February that curtails the government's power to nationalize private business without specific legislative approval. Allende intends to veto key portions and appeal to the constitutional tribunal to uphold his position. Although the opposition rejects the tribunal's jurisdiction in the matter, it lacks a means to prevent Allende's move. In line with

their propensity to negotiate with Allende, some Christian Democratic leaders reportedly are seeking a compromise with the President on the issue.

Like the rest of the political groups, the Christian Democrats are measuring the effect of their every move on congressional elections scheduled just a year hence. Both the eightmember government coalition and the heterogeneous opposition have been considering the advantages of forming a single party; any move in that direction must be started by 13 March to conform with electoral requirements. Despite the growing success of combined opposition challenges to Allende in by-elections, congress, and other forums, there is an ingrained reluctance among Christian Democrats to work too closely with rightist forces.

There are equally strong deterrents to the creation of a single party or slate of candidates in Allende's Popular Unity coalition. Both it and the Christian Democrats are likely to decide that they can serve their own interests best by agreeing to remove the 1958 ban on electoral pacts between parties. The pattern of the Socialist and Communist parties' political strengths and their long record of electoral collaboration would put them in a better position than the opposition to utilize such pacts.

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BRAZIL: NO OPENING FOR POLITICIANS

Recent statements by a congressman with close ties to the Medici administration strongly suggest that no significant political changes are in the offing. Deputy Clovis Stenzel told newsmen that he saw no possibilities for a "democratic opening" in Brazil, because such liberalization could halt social and economic growth. He asserted that "so-called political change is nothing more than a dream of liberal politicians" and that the vast majority of Brazilians are satisfied with the peace, order, and security provided by the government.

Although Stenzel said these were only his personal views, there is little question that he was speaking for the administration. Politicians of both legal parties attacked Stenzel's statements as being "inopportune, inaccurate, and irresponsible," but political columnists pointed out that the people who really count—the military—had not weighed in against him.

The authorities seem determined to do nothing that would encourage the politicians, who vainly search for any sign that they are going to be allowed to play a more important role than the marginal one they have been assigned since the 1964 "revolution."

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Ecuador: Still No Clear Course

The government of President Rodriguez Lara has been in power for more than three weeks but has given no clear indication of the policies it intends to pursue. The only clear themes to emerge so far are official incorruptibility and the 200-mile territorial limit. The initial public reaction is one of relief that the uncertain political situation has ended, with most opinion-inclders reserving judgment until the government begins to act.

Rodriguez' early statements emphasized the new administration's intention to investigate the financial shenanigans of officials of the old regime. The new officials in Guayaquil have denounced influence peddling and say that they intend to end the pervasive system of bribes. The US consul comments that the atmosphere in Guayaquil municipal offices is completely changed for the better from that under the previous government.

Most officials say they want friendly relations with the US but assert that Ecuador must

maintain its claim to a 200-mile limit of territorial waters. Recent US legislation prohibiting aid to Ecuador without a national security waiver has irritated the new government. President Rodriguez has issued a strongly worded denunciation, and in the OAS, Ecuador has charged the US with adopting a "coercive policy." The large schools of tuna have left the waters off Ecuador, so the danger of new incidents has receded. Nevertheless, the suspension of US foreign military sales rankles, and the new government, based as it is in the armed forces, will not be able to adopt a position, that is significantly softer than its predecessor.

Populist politician Assad Bucaram and his supporters have made no anti-government noises since the coup. It was largely to prevent Bucaram from participating in the presidential election that the military took power.

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Argentina: Cabinet Reorganization

President Lanusse's cabinet reorganization does not signal any major policy changes. On March the President accepted four of the 12 ministerial resignations offered on the third, but kept the key interior and finance ministers in their posts.

Lanusse's removal of Defense Minister Caceres Monie came as somewhat of a surprise.

Caceres was first appointed in 1969 by President Ongania, and his apolitical stance and good relations with the military had carried him unscathed through two coups d'etat. A civilian defense minister, he wielded little actual power in the military government but apparently succeeded in making some powerful enemies in the army with a decision affecting military-run industries.

The resignations of the ministers of commerce, agriculture, and industry were also accepted. Relative unknowns with no significant political connections were given the commerce and industry portfolios. The defense and agriculture posts are to be filled later.

The retention of Interior Minister Mor Roig and Minister of Treasury and Finance Licciardo suggests that Lanusse plans only minor adjustments in his political and economic policies in the near future. Mor Roig has been responsible for the mechanics of moving the nation toward elections next year, and Licciardo was one of the chief architects of the economic program put into effect in January. Lanusse's economic policies have come under attack as inflation mounts, but he probably hopes that the retention of Licciardo will reassure Argentina's foreign creditors, who are considering new loans.

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EL SALVADOR: LEGISLATIVE ELECTIONS

Stern warnings from President Sanchez against violence have helped cool tempers overheated by a close presidential election on 20 February, and the country is preparing to elect a new legislature and new municipal officers on 12 March. The opposition coalition's overly ambitious plans for a general strike collapsed from lack of support, and there have been only two acts of violence, both on 2 March. One of these resulted in the death of a National Guardsman and the wounding of another. It is widely believed that extremist university students were responsible. Military and security forces—on alert since the attack—are insisting that President Sanchez "clean out" the university, but Sanchez does not want to move against it until after the elections next Sunday.

Although a decision has not been made, it is possible that the government will reinstate some of the opposition legislative slates that were rejected earlier on technical grounds. President Sanchez has appointed a negotiating committee composed of a coalition leader, the vice president, and the minister of justice.

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DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY Special Report

The Struggle for a Yugoslav National Identity

Secret

Nº 45

10 March 1972 No. 0360/72A

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The Struggle for a Yugoslav National Identity

Deep-rooted nationality rivalries have handicapped Yugoslavia since its creation at the end of World War I. In the last two years, the interplay of government reforms, continuing economic problems, and a freer political climate has led to a resurgence of bitter regional and nationality animosities. These antagonisms threaten President Tito's efforts to build a system that will promote the survival of an independent, non-aligned Yugoslavia once he leaves the scene.

In its simplest form, the Yugoslav nationality problem has been a struggle by non-Serbians against Serbian hegemony. During the period between World War I and II, the monarchy treated Yugoslavia as an extension of greater Serbia. The suspicion and distrust resulting from that experience still color the outlook of many Yugoslav minorities—most particularly the Croats. The Communists, who led the partisan resistance in World War II under the banner of "brotherhood and unity," believed, perhaps naively, that the creation of a federal government of six republics and two provinces at the close of World War II would solve the nationalities problem. The problem did in fact fade during the first two decades of Communist rule, but this was more the result of Tito's leadership than the system.

The new burst of national animosities has set back Tito's efforts to create a decentralized socialist state that would grant wide-ranging freedom of expression. A shaken Communist Party finds itself once more looking for a way to enable the more than 15 nationalities within the Yugoslav borders to live and work together in harmony. Tito will be 80 in May; time is not on his or the party's side. A great deal remains to be done. Foremost, the party must recognize the paradox in its past attitude toward the nationalities: the encouragement of ethnic individuality works at cross-purposes with Yugoslav unity. As long as this paradox exists, nationality tensions will continue.

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THE STRUGGLE FOR A YUGOSLAV NATIONAL IDENTITY

The Nationalities

Yugoslavia was spawned by the decadent Turkish and Austro-Hungarian empires. The new countrywas built around the kingdom of Serbia. History had given it few unifying traditions. The country is a crazy quilt of ethnic, linguistic, religious and cultural differences. No other country in Europe is as ethnically complex. The problem is so complicated, the differences so great, the passions so intense, and the people so outspoken, that it defies easy solution.

To the north and west are the Catholic Slovenes and Croats, whose historical ties to the West and economically more advanced societies nurture feelings of superiority. To the south and east are the Serbs around whom modern Yugoslavia was formed. The Serbs are, for the most part, members of the Orthodox Church. The Serbian monarchy dominated the inter-war Yugoslav government, and even today the Serbsmany of whom feel they have been chosen to play a leading role in the nation-predominate in the federal administration. There are also Albanians in Kosovo, who demand national recognition and equality; Montenegrins, with a proud and independent past all their own; and Macedonians, whose national consciousness has been encouraged in Tito's Yugoslavia.

The rivalry between Serb and Croat is the most notorious and has the bloodiest history. It cuts across republic boundaries and can be found wherever the two live side by side, i.e., in the republics of Bosnia-Hercegovina, Serbia, and Croatia.

President Tito has been more successful than any previous Yugoslav leader in keeping nationality antagonisms at bay. He did so for more than

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25 years, leading some observers to speculate that he had found the secret for making Yugoslavia's diverse nationalities work together. Such speculation proved premature. The system he built was unable—short of his direct, personal intervention—to cope with rampant Croatian nationalism late last year.

The socialist revolution in Yugoslavia, then, has not adequately come to grips with the country's nationality problem. The old antagonisms are still very much alive. Croatian nationalism is just one part of this complicated problem, which will undoubtedly flare again and could reach massive proportions in the succession period.

The Party and the Army

Throughout most of the 1950s and the 1960s, the official party line reflected the naive attitude that the "nationality question" no longer existed because the political-social system precluded domination of one nation over another. Vestiges of "bourgeois nationalism" were acknowledged but were treated as isolated phenomena. Failing to perceive the magnitude of the problem, the party did not act appropriately. Communist educators failed to meet the challenge of teaching new patterns of relations based on social and class rather than national and regional interests. The Communists did give Yugoslavia a federal government, establish ethnic republics, and grant certain rights to individual peoples. But at that point they stopped. Their system whetted national appetites and in many instances left an unfilled craving for more.

In the fall of 1970, Tito unveiled reforms unlike any that had been seen before in a Communist country with the possible exception of Czechoslovakia in 1968. Decentralization in the government and economy, already under way for some time, was to be dramatically accelerated by an extensive two-stage constitutional reform. Most of the remaining vestiges of doctrinaire Communism were tossed overboard in favor of a

freer, more open system and society. The reforms were Tito's effort to create a system that would enable a self-managing, non-aligned Yugoslavia to survive his passing.

The party was the critical ingredient in these plans. Under the decentralization, the burden of maintaining unity and cohesion was to fall squarely on the federal party. It is here that the program broke down. In the heady atmosphere of frank, open political discussion, regional nationalism flared. The federal party could not cope with the challenge of a nationalist-infested Croatian party leadership in the closing months of 1971. Tito had to intervene personally, the Croatian party hierarchy was purged, and the federal party was left shaken by its inability to deal with the Croatian challenge.

The party now must find a way to reassert itself and in so doing guard against a recurrence of nationalism in its own ranks. Tito has made it clear that he does not want to discard his reforms and that he still regards decentralization as the best way to ensure the survival of an independent Yugoslavia once he is gone. As a first step, this will mean putting some teeth into the party apparatus concerned with enforcing discipline.

The military, like the party, has been a mainstay of the regime. There is one basic difference; the army is a Serb stronghold. The army has traditionally supported Tito's policies, and, at the height of the Croatian crisis when the federal party seemed unable to cope, Tito turned to the military once again. He sought and received army support for his move against the Croatian leaders.

With the party still searching for solutions to its problems, the importance of the military as a unifying force has increased. In fact, the success of the whole decentralization process could ultimately rest on the army during the post-Tito era. This means that the army will be in a good position to demand at some future date a share of power with the political leaders.

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SERBIA

Serbia Proper 92.5% - Serbs 7.5% - Other

Where It Began

Serbian nationalism is intense and strongly identifies with the Yugoslav federation. Serbs tend to be aggressive, political realists who see in Yugoslavia the fulfillment of their 19th century dream of a union of the south Slavs. They are clannish to a fault, and more than five decades of predominance in the federal government have given them a firm grip on the levers of power which has only recently been challenged by Tito's plans for extensive decentralization.

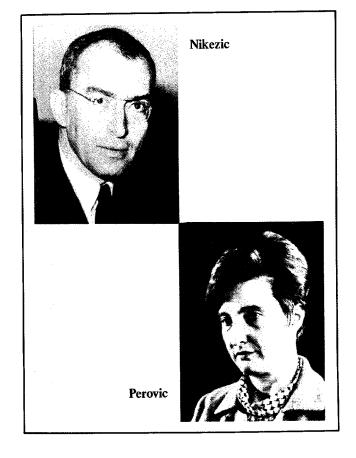
Cognizant of the role their republic played in creating modern Yugoslavia, the Serbs tend to view themselves as the champions and guardians of the state. The boldness of their past actions and their lack of concern for the rights of the nation's minorities have raised suspicions about their intentions and alienated others—in particular the Croats. This has weakened rather than strengthened the federation. The Serbs may point with pride to the fact that they were the nucleus around which Yugoslavia was formed in 1918. Others cannot forget that inter-war Yugoslavia was not a federation of equal nationalities. It was in fact the kingdom of greater Serbia. Serb oppression and mismanagement of the nationality question, particularly under the royal dictatorship from 1929 to 1939, was a direct cause of the disaffection of the Croats when the Germans invaded in April 1940.

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Concern over Serbian hegemony has persisted since World War II. Prior to July 1966, the guardian of Serb interests was Aleksander Rankovic. A doctrinaire Communist and then vice president of Yugoslavia, he maintained tight control over the state security service and was considered Tito's heir-apparent. From this power base, Rankovic kept a close eye on Serb interests. He used his office and access to Tito to bloc attempts at decentralization, which Serbs tend to view as an attempt to weaken their position.

Rankovic, who began to take his role as heir apparent too seriously, was dismissed in 1966. Since then, the winds of change have begun to blow in Serbia. Under the enlightened leadership of Marko Nikezic, the Serbian party has struck a pose of moderation. The Serbs officially advocate a path between the extremes of tight centralization and complete republic autonomy. A very capable party secretary, Mrs. Latinka Perovic, has aided Nikezic in his efforts. Sensitive to the nation's highly volatile nationality problem, Mrs. Perovic has pledged herself and her fellow Serbs to work for unity. She warned that Serbia must avoid giving the impression of trying to impose "anything" on others. She went a step further and expressed faith in the governmental and economic reforms. She cautioned against their abandonment by describing the problem ahead as one of rebuilding unity, without returning to "centralist reforms" and "greater state hegemony."

Others, such as the Croats, refuse to see any change in the Serbs. Indeed, there are differences between the Serbian leadership and segments of the populace. An undercurrent of opposition to Nikezic and Perovic is discernible. Some Serbs argue that the reforms have gone too far and point to the Croatian crisis last December as proof. These same critics see greater autonomy for Kosovo and Vojvodina (both part of Serbia) as an attempt by the republic's enemies to weaken Serbian power and influence.



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Where It Could End

Croatia 80.3% - Croats 15.0% - Serbs 4.7% - Other The Croats, because of their cultural, historical, and religious ties to the West, feel superior to the rest of the nation, save Slovenia. They are determined to count as Croats and as a result push for nearly full republic autonomy. Zagreb, their republic capital, is haunted by the fear that any attempt to strengthen federal authority will mean a return to Serbian domination. The Croats' position on autonomy, which would turn the federal authority into a flimsy facade for six or even eight tiny Balkan states, wins little support elsewhere in Yugoslavia.

The Croats are generally admired for their efficiency and business know-how, but their record on the nationality question has won them little love or respect. Their chauvinism burst forth in fratricide during World War II when a Nazi puppet regime ruled the republic. Croatian fascists conducted a witch-hunt against the republic's Serbian minority, slaughtering thousands who refused to give up the Orthodox religion. Even the Croatian wing of the Yugoslav Communist Party during that period was tainted with nationalism.

More than a quarter of a century of Communism has not dampened Croatia's nationalist zeal. The relative ease with which nationalist elements caught hold in the Croatian party and won popular support for their defiance of the federal party illustrates this. Moreover, the magnitude of the resulting purge, which brought down the republic's highly popular young leadership and cost some 400 officials their jobs, only heightened republic nationalism. The ousted leaders have now taken on an aura of martyrdom. Should Tito not prove his charges of emigre ties to top republic leaders, they may well return to the center of the republic's political stage in the succession period.

CROATIA

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BOSNIA-HERCEGOVINA

Bosnia and Hercegovina

42.9% - Serbs

21.7% - Croats

25.7% - Ethnic Muslims of unspecified nationality

8.4% - Undeclared Yugoslavs

1.3% - Other

A Cordon Sanitaire

Mountainous Bosnia-Hercegovina is in many respects a microcosm of Yugoslavia's nationality make-up. Its inhabitants are nearly equally divided among Serbs, Croats, and Muslims, leading some to label the republic an artificially created cordon sanitaire between the rival Serb and Croat republics. National chauvinism conjures up terrible memories of the Yugoslav civil war during World War II—a great deal of which was fought in Bosnia-Hercegovina. The scars are deep, and the republic's post-war efforts to establish nationality equality have been only partially successful.

The resurgence of Croatian nationalism last year had an immediate impact in Bosnia-Hercegovina. Extremist students from Zagreb crossed into the republic to seek support from their Croatian kinfolk. Simultaneously, the Croatian cultural association *Matica Hrvatska* began distributing nationalist propaganda. Nationality relations were particularly strained with the publication of the brochure, *Siroki Brijeg*, which extolled as martyrs a group of Croatian nationalists who died at the hands of the partisans in World War II. Aware of the potential appeal of such activity, republic officials in Sarajevo quickly squelched it.

The Muslims are the key to keeping this republic's nationality problem in check. They are hypersensitive to both Croatian and Serbian nationalism, having been caught between the two before. They are determined that it should never happen again. The Muslims insist on full equality within Bosnia-Hercegovina and parity representation with the Croats and Serbs in the republic government.

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MONTENEGRO



Zarkovic

Montenegro 81.4% - Montenegrins

6.5% - Slovenes

5.5% - Albanians

6.6% - Other

Betwixt and Between

In Montenegro, as in Serbia, a new brand of leadership has emerged typified by such men as presidium member Vidoje Zarkovic. These leaders are willing to compromise to benefit the federation. They support the governmental and economic decentralization. As in Serbia, there is a gap between the leadership and the basically nationalistic population.

The Montenegrins, situated in a small quarter of Yugoslavia along the Adriatic Coast bordering Albania, are ethnic Serbs who settled in the Black Mountains in the Middle Ages. The Montenegrins successfully fought off the Turks and remained independent throughout the 500 years of Turkish dominance in the Balkans. These tough mountaineers thus view themselves as superior to the rest of the Yugoslav peoples.

The republic harbors strong pro-Russian sympathies dating back to the days of Peter the Great when sailors of the first Russian Navy trained in Montenegro. From that time on, Montenegro and Russia periodically cooperated in waging war against the Ottoman Empire. Even today, similarities between the Soviet and the Montenegrin approach to Communism are apparent. The Montenegrin Communist Party, for example, is one of the most conservative in Yugoslavia and favors many elements of a more orthodox Communist political and economic system. Montenegrins, like many Serbs, favor strong central authority.

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Slovenia 95.6% - Slovenes 4.4% - Other

SLOVENIA

Kardeli



Mainstay of the Federation

Croatian-style nationalism, with its undercurrent of separatist sentiment, has never had a strong appeal for the Slovenes. During the period between the wars, the Slovenes tended to favor a strong government in Belgrade. Since World War II, a good argument can be made for the case that the Slovenes have done more to shape Yugoslavia's non-aligned and self-management policies than any other people in the federation. A great deal of this is due to the talents of one man, Edvard Kardelj. While others in Slovenia may have greater popular support, it is to Kardelj, Tito's long-time friend and adviser, that the aging chief of state turns for theoretical justification of Yugoslavia's unorthodox policies.

To a great extent, the current decentralization and constitutional changes embody long-standing Slovenian demands for greater republic autonomy, including increased control over taxes, more rapid progress toward a market economy and a larger voice in foreign affairs. The explanation is twofold. First, as part of the Austrian empire the Slovenes learned that, to achieve their objectives, they had to work within a political system rather than against it. Second, the Slovenes recognize that their prospects for successfully going it alone outside the federation are poor; Slovenia completely disappeared as an entity during World War II when Italy and Germany each took part of it.

The Slovenes are proud of their cultural and national heritage, so much so that they often offend other minorities who accuse them of being self-centered. Though from time to time there have been expressions of discontent and rumbling of nationalism, the Slovenes rarely resort to extra-legal means to gain their objectives. For the most part, the complainers accuse the federation of inhibiting Slovenia's economic development or argue that the republic gives too much to the federation for what it gets in return.

National minorities are practically non-existent in Slovenia, and the people themselves appear content to see their own cultural and national identity flower within the Yugoslav system. They want the new decentralized Yugoslav system to work. This fact can be seen in the republic's own constitutional reforms. Ljubljana took the lead in proposing that the federal plan for a collective government leadership be adopted at the republic level. Underlying Slovenia's ties to the federation is a belief in the Yugoslav "idea" and a faith that a federation of equal nations will produce a stronger, viable Yugoslavia.

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THE PROVINCES

Vojvodina
54.9% - Serbs
23.9% - Hungarians
7.8% - Croats
13.4% - Other

* Kosovo 67.0% - Albanians 23.5% - Serbs 9.5% - Other

*Recent data indicates a rise to 74%.

Kosovo: Aspirations of a Primitive People

Reverberations from Croatian nationalism were felt strongly in the predominantly Albanian-inhabited province of Kosovo. Here, Serb-Albanian antagonisms have long simmered. Kosovo is one of the two autonomous provinces attached to the republic of Serbia. The Serbs and Albanians disagree over what the region's relationship to Serbia should be. Indeed the Albanians question whether it should have any ties to

the republic at all. For the Serbs, the province is hallowed ground, the site of their defeat by invading Turks in 1389. Moreover, the first Serbian Orthodox Patriarchate, established in 1346, is located in the Kosovo town of Pec. Most Serbs feel, if only for historical reasons, they should have a say in the running of the province. The Albanians, on the other hand, make up 74 percent of the population. They claim that, as descendants of the Illyrians, they are the original inhabitants and that the Slavs are interlopers.

Albanian aspirations stirred in the latter half of 1960 with the ouster of Rankovic and the gradual easing of the political climate in Yugoslavia. Demands for language and employment equality, increased economic aid, and greater political autonomy were followed in 1968 by public demonstrations. Since then, federal authorities have put new emphasis on solving Kosovo's problems and have singled the region out for massive economic assistance. They reason that if the province's enormous problems can be overcome, then the federation will have passed a major hurdle in reducing the gap between the "haves" and the "have nots."

In fact, with the federal government putting so much of its money and prestige on the line in Kosovo, the province may become the bellwether for Yugoslavia. The attitude of Serbia will be crucial. Nationality disturbances involving Serbs living in Kosovo could have serious repercussions in Serbia proper, alienating that republic from the whole reform process. Thus, the federal authorities must satisfy the demands of the basically primitive and highly explosive Albanians without offending Serbian sensitivities.

The nationality tensions in the province are ready made for foreign meddling. Tirane, which for years flooded the area with its particular brand of Marxist-Leninist propaganda, recently toned down broadcasts to Kosovo following improved Albanian-Yugoslav relations. Tirane, however, has not given up its claim to speak out on behalf of its fellow Albanians in Yugoslavia.

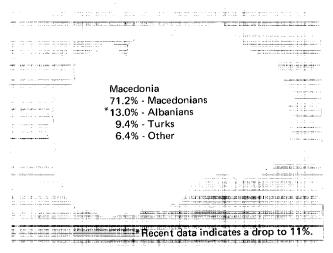
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Vojvodina: Emerging "Yugoslavism"

Serbia's other autonomous province, Vojvodina, is the breadbasket of Yugoslavia. This ethnically complex province contains over 900,000 Serbs, 500,000 Hungarians, 150,000 Croats, 90,000 Slovaks, and 65,000 Romanians; the remaining 236,000 inhabitants are Germans, Russians, Ukrainians, and Ruthenians.

Vojvodina, despite its diverse national make-up, has been remarkably free of chauvinism, and its Croatian minority was not aroused by the recent events in Croatia. In World War II, indigenous German and Hungarian elements committed a number of excesses against the local Serbian population. But in the post-war period, the province has succeeded in developing an exemplary relationship among its nationalities.

Nowhere else in Yugoslavia is the feeling of being a "Yugoslav" as well developed as here. A remarkably high number of mixed marriages have contributed to this. The tranquility of the province's Hungarians and Romanians is in part a by-product of Yugoslavia's good relations with neighboring Romania and Hungary.



MACEDONIA

Federation Means Survival

Macedonian nationalism is inextricably linked with the existence of a Yugoslav nation. The Macedonians have nothing to gain and everything to lose should the federal system fail. Only through membership in the federation has the distinctness of the Macedonians been recognized and allowed expression. Although Macedonia may at times have sympathized with Croatian positions, the republic's nationalism has never run counter to the basic interests of the federation.

Situated at the southeastern end of the country next to Bulgaria, the republic of Macedonia was established after World War II. Sofia refuses to recognize the existence of a Macedonian nation, culture, and language—a refusal most Yugoslav Macedonians read as an expression of age-old Bulgarian claims to the region. Bulgarian needling over the "Macedonian question" has only heightened the republic's sense of national identity and solidified its ties to Yugoslavia.

The only minority problem within the republic centers on the Albanians who comprise

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approximately 11 percent of the population. They are an irritant in Yugoslav-Albanian relations. In late 1968, at the time of the demonstrations in Kosovo, violence erupted in several predominantly Albanian towns in Macedonia, including the fairly large community of Tetovo. Since then, however, the situation has been calm.

Nationalism and the Economy

Economic problems have in recent years severely complicated the nationality problem. Enmities will persist at least as long as there are economic disparities between the different regions of Yugoslavia. Belgrade recognizes this and has become a clearing house for redistributing capital from richer to poorer regions in an effort to close the gap between the "haves" and "have nots." The policy has had only minor success, creating nearly as many problems as it has solved. There is a huge income gap between the richer north and poorer south. There is also a a basic contradiction in national policy intended to resolve the problem: the political objective of closing the gap conflicts with the economic goal of achieving a more efficient, stable economy. The result is a compromise and not much progress toward either objective.

FEDERAL FUNDS FOR UNDERDEVELOPED REGIONS

1966	\$ 39,600,000
1967	92,160,000
1968	110,240,000
1969	115,600,000
1970	147,520,000

The funds are divided almost equally between Kosovo, Montenegro, Bosnia-Hercegovina and Macedonia.

Economically advanced republics such as Croatia complain loudly that they are being bled dry of the investment resources and foreign exchange needed to modernize and expand their own industrial plant. Nationalists in Croatia raised this argument prior to the political upheavals there. Even so, the provinces and the republics that do get the money are dissatisfied. The differing socioeconomic backgrounds, the disparity in natural resources, and the varying rates of population growth make it clear that the economic disparities will persist and continue to complicate the nationality question indefinitely.

Meddling from Abroad

Belgrade is acutely aware of its vulnerability to outside meddling. The Yugoslavs must contend not only with the highly volatile community of Yugoslav emigres in the West but also with the Soviets. On the latter, Yugoslav apprehensions have roots which pre-date the Tito-Stalin break of 1948. In 1934, the Comintern proposed the dismemberment of Yugoslavia along nationality lines. The willingness of Stalin and subsequent Soviet leaders to prod Belgrade on Bulgarian claims to Macedonia has kept Yugoslav concern alive.

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There are fascist emigre groups, collectively known as the *Ustashi*, which have a brutal history of bombing and killing. Last April, they assassinated the Yugoslav ambassador to Sweden and wounded several members of the Yugoslav Embassy staff in Stockholm. They apparently were responsible for four bombings in January which took 27 lives and caused numerous injuries.

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Percentage Distribution of Ethnic Groups, 1961

SOUTH SLAV

Serbs 42.1 Macedonians 5.6 Croats 23.1 Montenegrins 2.8 Slovenes 8.6 Undeclared Yugoslavs 1.7 Ethnic Muslims of unspecified nationality 5.2

NATIONAL MINORITIES

YUGOSLAVIA

Albanians 4.9 Hungarians 2.7 Other 3.3



When Tito Goes

The struggle to create a Yugoslav national identity will continue. After 27 years in power, Tito is still trying to forge a nation in which the constituent ethnic groups set regional prejudices aside in the interest of the federation as a whole. Yugoslavia has made some progress toward this goal. Nevertheless, Croatian nationalism late last year provided a sharp setback to the one body that supposedly had rid itself of republic nationalism—the Communist Party. The federal party has been shaken by its inability to handle the situation. The League of Communists of Yugoslavia now has to face cold reality—the post-war successes of Communism are mainly attributable to the leadership of Tito rather than the application of Marxism-Leninism.

The party has set about recovering lost ground, focusing its initial efforts on Croatia and to a lesser extent on Kosovo. Elsewhere, for example in Slovenia and Vojvodina, there is a high degree of political maturity and willingness to put regional nationalism aside in an effort to work within the decentralized system. Even Serbia is displaying significant flexibility in setting aside past national prejudices.

There are forces at work that augur well for the federation. Social mobility and, to a lesser extent, internal migration stemming from rapid industrialization are chipping away at regional prejudices. The mixing and fusing of peoples goes slowly, but it has been speeded up since the end of the war and ultimately could save Yugoslav unity. In recent years, the regime has consulted the populace on numerous problems concerning the nation's future. This dialogue and the fact that some decisions are being made by consensus at high levels in the party and government give the country's diverse nationalities a voice and a stake in a unified future. These efforts already may have paid dividends in helping prevent the Croatian nationalist example from spreading to other regions.

No high-ranking Yugoslav official, least of all President Tito, wants to throw over this unique system. The chief executive is nearly 80 and in a race against time. Opportunities to bring the force of his personality to bear as a stabilizing factor will be limited. And, at the same time, a major shift in power relationships is taking place. The armed forces, which have consistently been loyal to Tito, have taken on a broader political role as a major unifying force. Symbolic of this status is the fact that the military now has the right to participate in a non-voting capacity in sessions of the federal party executive bureau. The military stands ready to step in either now or in the succession period to aid the regime in maintaining the federation.

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DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY Special Report

Nigeria: Gowon Looks Outward

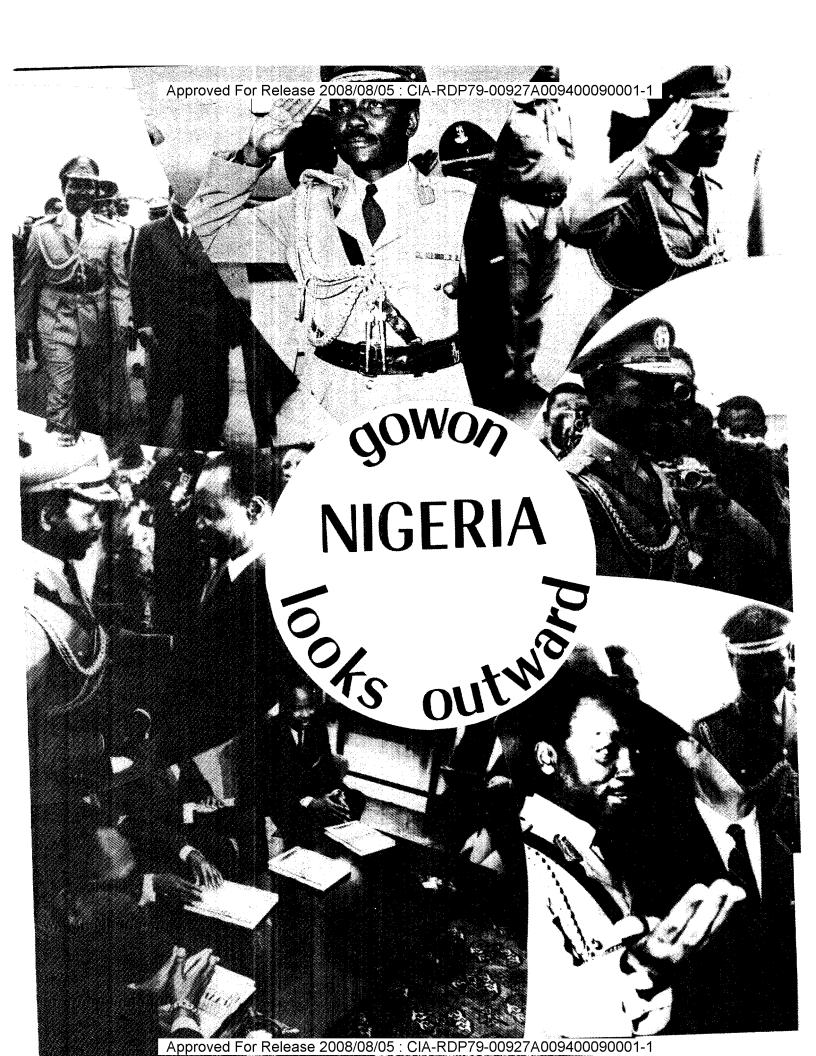
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GOWON AND NEIGHBORS

(clockwise from upper right)

- Macias of Equatorial Guinea Eyadema of Togo
- Maga of Dahomey
- Tombalbaye of Chad









Special Report - 2 -10 March 1972 Under the leadership of General Yakubu Gowon, Nigeria's Federal Military Government has pursued an energetic and diversified foreign policy. Where it once pursued an almost exclusively pro-Western policy the government shifted gears during the 1967-70 civil war when Soviet aid and popularity grew at the expense of the US and the UK. Soviet popularity has fallen off in the two years since the end of hostilities, but Lagos has not returned to Nigeria's ante-bellum pattern in foreign affairs. In fact, the military government has cultivated a variety of new friends, including the French-speaking African states and the People's Republic of China.

Gowon has not severed Nigeria's traditional ties to the UK, nor has he abandoned his suspicions of Communist regimes, but he is expanding relations with foreign governments regardless of their ideological coloration. He is determined to maintain a more assertive posture in keeping with Nigeria's size and importance in Africa. This determination enhances Lagos' standing in Africa and weakens its ties to Europe. It keeps relations with the superpowers on a pragmatic, issue-oriented basis.

New Emphasis on Foreign Affairs

The civilian regime that governed Nigeria until 1966 professed a non-aligned foreign policy, but in reality it was pro-Western. The architects of that policy were the post-independence politicians and European-educated civil servants whose policy positions reflected their own conservative backgrounds, Nigeria's colonial heritage, and a preoccupation with domestic affairs.

The activism of the present military leaders has pointed Nigeria toward genuine non-alignment and has elevated foreign policy to a much higher priority. As a result, the External Affairs Ministry has emerged from relative obscurity to assume a large role in the formulation and execution of policy. Gowon relies heavily on the bureaucracy for guidance, and civilians in the ministry exert considerable influence on the current regime. It is significant that these civilians take a more radical line, especially on questions relating to European colonialism, than does the military elite.

Okoi Arikpo, the commissioner for external affairs, is among the most influential civilians in the government. Gowon delegates wide



discretionary power to him, but Arikpo also seizes the initiative and at times gets way ahead of Gowon on foreign policy issues. Since the civil war, Arikpo has been occasionally hard to work with from the US point of view, but he must be dealt with since he is the best informed and most decisive figure in the policy-making process.

Nigeria's foreign service is also enjoying new prestige, funds, and influence. Late last year, the government moved to recruit and train a sizable new group of officers. At that time, Gowon also announced plans to open several new missions abroad. Nigeria now has some level of relations with 29 African states, 9 Communist nations, and 39 non-Communist countries.

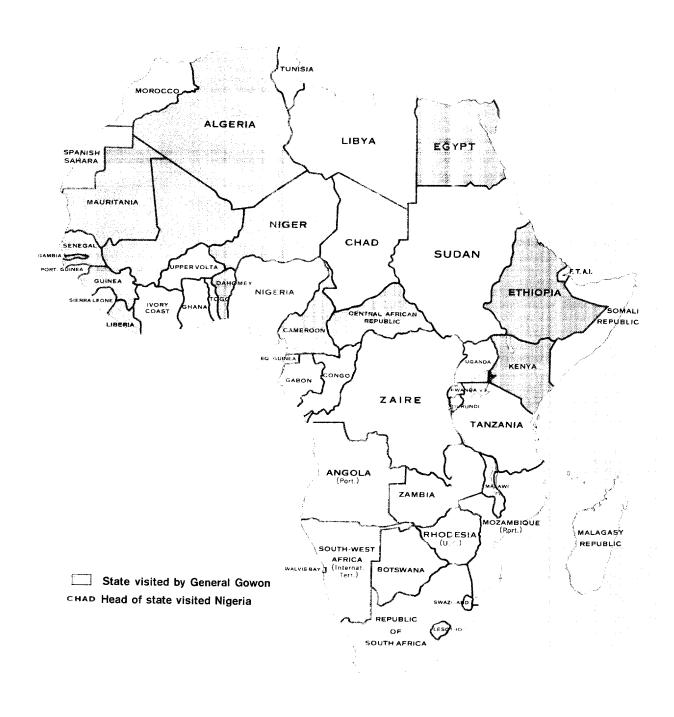
Gowon's Style

Gowon found himself in power at the age of 31—a professional soldier with no background or

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MIGERIA: General Gowon's African Contacts Since January 1970



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experience in foreign affairs. He received an instant education. With the outbreak of the civil war, the federal government adopted as its principal goal the elimination of international support for the eastern secessionists. The war served to multiply Nigeria's international contacts, which Gowon has continued to expand. Gowon has become polished and professional in his diplomatic dealings, and throughout Africa basks in new-found publicity and stature.

Gowon has made numerous foreign trips since early 1970, originally to demonstrate Nigeria's appreciation for support during the civil war, but increasingly to establish his own image as a leading statesman and Nigeria's role as the leader of black Africa. He has taken an active part in all of the recent heads of state meetings of the Organization of African Unity-long neglected by Nigeria—and has urged other African leaders to do the same. He has toured 14 African countries in the last two years, including all of Nigeria's immediate neighbors, and has received nearly a dozen heads of state in Lagos. These exchanges have resulted in few hard agreements, but each has generated uniformly favorable impressions of Gowon and Nigeria.

Gowon's peripatetic diplomatic style has involved him in a variety of international issues.



Vol. IV. No. 906. Thursday, August 26, 1971. 4d

THE C.A.U. Commission of ten, set up to find ways of solving the Middle East conflict has ended its first meeting in Kimshasa. An official ennouncement said another meeting is to be held in Senegal after further consultation must have been held with both lead and the United Arab Republic as well as the United Nations Secretary-General, U Thant.

The Head of State, General Yakubu Gowon participated in the meeting which was presided over by President Moktar Ould Daddah of Mauritania, the current chairman of O.A.U.

The commission, set up at the Summit meeting of the Organicion in Addis-Ababa last June comprises Nigeria, Congo-Kinshasa, Ethiopia, Liberia, Tanzania, Kenya, Ivory Coast, the Senegal, Mauritania and the Cameroun.



Ugandan — Tanzanian

THE He



THE Head of State has called on Tanzania and Uganda to call off their border fighting and resolve their differences peacefully.

inese Colonel was during fighting in f the borders. one of the borders.

Both sides have however accused each other d of State, General Go Amin. Meanwhile there has

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GOWON REACHES OUT

(clockwise from upper right)

- Ould Daddah of Mauritania
- Kenyatta of Kenya
- US Secretary of State RogersOAU "Wise Men" with Israeli Prime Minister Meir









Special Report - 6 -10 March 1972 He was, for example, a key figure in the OAU "Wise Men" mission which last fall attempted unsuccessfully to find a solution to the Middle East impasse. He also offered advice to both sides during the India-Pakistan war. These personal initiatives have been well received in Africa, but, when playing on a bigger stage, Gowon is at times exposed as presumptuous. He consistently overestimates both his own grasp of complex issues and Nigeria's importance outside Africa. This failing, however, does not take away from Gowon the fact that he has introduced a new dynamism to Nigerian foreign policy and made foreign affairs Lagos' leading spectator sport.

The Nigerian public takes pride in Gowon's growing continental fame and in Nigeria's brighter image. Presumably Gowon's awareness of the domestic utility of such patriotic pride has contributed to his eagerness to accommodate the press and to his willingness to make innumerable public speeches while abroad. The attention he receives serves both to drum up popular support for the government and to distract Nigerians from domestic problems.

Gowon's policies have yielded good results abroad, but at some expense at home. Elements in both the civilian and military leadership grumble that Gowon's preoccupation with foreign affairs reduces the time he can devote to pressing domestic problems. To overcome these objections, Gowon constantly alters the make-up of his entourage for trips abroad, making a special effort to give the 12 state governors foreign experience and exposure. This strategy, although popular with those making the trips, has not defused the criticism of his gadabout approach.

Policy Toward Africa

Among the most dramatic recent developments in Nigeria's foreign policy have been its growing support for the OAU and its shift to a hard line on the question of European disengagement from colonial rule. Nigeria had paid scant attention to the OAU, but changed its view when

that body passed a resolution supporting Lagos during the civil war. Throughout most of the war, federal leaders nursed suspicions that the OAU's African Liberation Committee—headquartered in Tanzania, which supported Biafra—was channeling aid to the Biafrans. With the end of the war, Gowon has shown greater enthusiasm for the Liberation Committee and for the OAU's Defense Commission. Moreover, he has used OAU meetings as a platform to gain Africa-wide political exposure for himself. At the OAU summit in Addis Ababa last June, he called for the "liberation of at least one colonial territory in the next three years."

Gowon has contributed moral and military support to the insurgents in Portuguese Guinea and also to Guinea itself. In a visit to Conarky early this month, Gowon publicly praised both Amilcar Cabral and Sekou Toure, although he has limited enthusiasm for Toure's domestic policies. To date, Gowon's military aid has been limited to uniforms, boots, and antiquated small arms. Lagos shows no sign of desiring a direct military involvement in the area, basically because its huge army does not possess the requisite logistical capabilities.

Gowon

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has invited representatives of the Angolan, Rhodesian, and South-West African insurgent groups to call on his government in Lagos, but those who have come have been received with notable reserve, suggesting that Gowon's rhetorical support is designed more to bolster Nigeria's image than to threaten the white governments. Gowon has declined to enter into military alliances with any insurgent groups or with fellow African states.

In west Africa, where Gowon's interest and influence are at their height, Nigeria has assumed an active but moderate stance. The military government has reached a rapprochement with the states that recognized or supported Biafra during the civil war. Lagos is now emphasizing a

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mundane but very practical approach to regional cooperation. Gowon's many travels have produced potentially useful agreements on expanding communications, transport, and trade between Nigeria and each of its French-speaking neighbors. The Nigerian Government has faced periodic difficulties in protecting its nationals working in, and occasionally expelled from, such states as Ghana, Equatorial Guinea, and Zaire, but, in general, Nigeria now has very cooperative relations with all its neighbors. Gowon has stressed over and over again that Nigeria has no territorial ambitions and that it respects the sovereignty of its smaller neighbors. He is mindful that Nigeria's huge economy, physical size, and military capability inevitably have an intimidating effect on the other states in the area.

Implications for the UK

Nigeria's concentration on African affairs obviously has implications for Europe, in particular for the British. Their popularity in Nigeria-previously somewhat recovered from the civil war low-has fallen off again over the past year. Nigeria was the first Commonwealth member to withdraw from the Study Group on Indian Ocean Security in protest of the UK decision last year to sell arms to South Africa. Gowon has attempted to take the lead in opposing the effort to implement a Rhodesian settlement this year. Official and unofficial reactions in Nigeria have been entirely negative to both the Pearce hearings in Rhodesia and to the UK veto of the Rhodesian resolution at the UN Security Council meeting in Addis Ababa last month.

Although Gowon's progressive rhetoric is consistently critical of the UK, he has been careful not to jeopardize his 15-million-pound annual trade surplus with Britain. Oil, largely extracted by the British, is his key export. On the Rhodesian issue, Nigeria has limited itself to calls for obviously unattainable UN and African solutions. Gowon has not sought to implement any economic sanctions that could work to Nigeria's

detriment. Through it all, the UK has continued to be Nigeria's most important partner in the fields of defense, foreign trade, private investment, and technical assistance.

The Big Powers

China – Nigeria's desire to show itself independent of the West was underscored in its unequivocal support for the admission of the People's Republic of China to the UN and the expulsion of Taiwan. Formal recognition of China was negotiated in early 1971, and later in the year the two countries exchanged ambassadors. Last month, Lagos announced that it would enter into an aid agreement with Peking, emphasizing again the Nigerian desire to diversify its international contacts and avoid reliance solely on European sources of economic assistance.

United States-The foreign policies of the US and Nigeria differ on most major world issues. The government and the Nigerian public feel, for example, that Washington is sympathetic to the colonial regimes in southern Africa. Still, the US is a major source of Nigeria's foreign aid, is its second most important source of imports, and provides its third largest foreign market. Thus, despite continuing disagreements on specific issues, relations between the two countries have improved since their nadir in the civil war, when widespread pro-Biafran sympathies in the US reduced mutual understanding to a minimal level. The likelihood is that the trend toward better working relations will continue. Gowon continues to encourage international capital to come to Nigeria, although he has instituted complex regulations requiring Nigerian public and private participation in all new enterprises. US private investment in Nigeria now totals roughly \$800 million, virtually all in petroleum, and American businessmen continue to receive reasonably good treatment from the Nigerian Government.

USSR-Ironically, given Moscow's firm backing of the federal government during the civil war

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and Gowon's talk of positive non-alignment, the US is faring much better these days than the USSR. When Western arms suppliers balked at supplying Lagos at the outbreak of the civil war, the Soviets ingratiated themselves with substantial military supplies. This created much good will, as-to a lesser extent-did a trade agreement signed late last year. On balance, however, the Soviets' good standing has steadily eroded during the last two years. Because of its suspicions about big-power meddling, Lagos has taken little advantage of Soviet offers of military training and economic credits.

pletely independent of the major powers. Gowon's inclination is to expand his non-Western contacts. He has recently explored opportunities for securing petroleum technology from India and Japan, for example, and he is almost certain to forge closer links with China. In Africa, Gowon will continue to seek the leadership of the rhetorical war against colonialism. He is likely to provide token aid to those actually fighting this battle, but there is little chance that he will involve Nigerians in any genuinely revolutionary campaigns.

Outlook

Gowon's initiatives in foreign policy involve much progressive rhetoric, but they have little ideological content. He is dedicated to making Nigeria a significant Third World leader com-

The foreign policy options open to Gowon have been limited by Nigeria's total dependence on oil. Revenue is now sufficient for all foreign exchange needs, but Nigeria could not endure a prolonged embargo, nor could it maintain current production levels without the many foreigners who hold key positions. Unlike several members of the Organization of Petroleum Exporting Countries, Nigeria is likely—in the immediate future, at least—to take moderate stands in its negotiations with the major international petroleum companies. As Nigeria becomes steadily less dependent on Western finance and manpower, however, Gowon will pursue an increasingly nationalistic foreign policy.

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